

Boeing Presents Best and Final Offer to UAW Local 1069

Boeing [NYSE:BA] Rotorcraft Systems, a division of Boeing Integrated Defense Systems, Saturday offered more than 1,300 employees represented by the United Automobile, Aerospace and Agricultural Implement Workers of America, United Aerospace Workers (UAW) Local 1069 a best and final contract offer. In a joint communication, the UAW leaders stated they will recommend approval of the offer to their members. The company anticipates the union's ratification vote will occur over the weekend.

"We believe the contract offer is outstanding and balances the needs of employees, customers and other stakeholders. It recognizes our UAW-represented employees' contributions to our business success with the realities of the global market for military rotorcraft," said Dan Meyer, Boeing Philadelphia site manager and director, Operations.

Since Sept. 1, 2005, Boeing and the UAW agreed to continue working day-to-day under the existing contract as negotiations progressed. The company's offer is the culmination of more than six months of negotiations.

The Boeing four-year contract offers 10 percent increases in total wages plus lump sum payments and gainsharing enhancements. Highlights include:

Wages:

- 10 percent in additional total wages, cost of living adjustments and other premiums plus lump sum payments.

Health Care Benefits:

- Four medical plan choices. Employees' contributions to monthly premiums will be 0 to 10 percent depending on the plan they choose.
- Current employees who retire during the term of this agreement will be eligible for retiree medical benefits.
- Employees hired on or after Jan. 1, 2007 will not be eligible for retiree medical benefits at retirement.

Retirement Benefits:

- The pension benefit will increase to \$70 per month (a 21 percent increase) for every year of service, effective April 1, 2006.
- The savings plan match will increase to 50 percent of the first 6 percent the employee contributes, effective Sept. 1, 2006. For employees hired after Jan. 1, 2007 the match will be 50 percent of the first 8 percent the employee contributes.

Gainsharing:

- The performance-based gainsharing program will include four new metrics that could potentially add an additional year-end bonus if performance targets are achieved.

A unit of The Boeing Company, Boeing Integrated Defense Systems is one of the world's largest space and defense businesses. Headquartered in St. Louis, Boeing Integrated Defense Systems is a \$30.5 billion business. It provides network-centric system solutions to its global military, government, and commercial customers. It is a leading provider of intelligence, surveillance and reconnaissance systems; the world's largest military aircraft manufacturer; the world's largest satellite manufacturer and a leading provider of space-based communications; the primary systems integrator for U.S. missile defense and Department of Homeland Security; NASA's largest contractor; and a global leader in sustainment and launch services.

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